

m.v. "APL VANCOUVER" – 31.01.2019 Fire in Cargo Hold

PRELIMINARY

Instructions for Cargo/Container Interests **for submission of Salvage and General Average Security**

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A. SUMMARY OF EVENTS

The m.v. “APL VANCOUVER” was on a laden voyage (No. 0IS1JW1PL) with containerized cargo from ports in China and Hong Kong to Singapore, Sri Lanka and India when a fire broke out in vessel’s cargo hold No. 7 on 31st January 2019 during a voyage to Singapore.

Preliminary information is that about 4515 containers are presently stowed on board. Firefighting operations are ongoing and professional Salvors, Ardent, have been contracted on the basis of a Lloyd’s Open Form (LOF). Rather substantial damages to cargo/containers as a result of the fire and contact with water are anticipated and the extent of damages is currently under investigation. The vessel is presently anchored at Phan Rang Bay, Vietnam. Salvage operations are presently on-going.

In view of extraordinary expenditure incurred/to be incurred and sacrifice damages to property, the Shipowners have declared General Average and we, Albatross Adjusters Limited, have been appointed as Average Adjusters. We have also been instructed to arrange for collection of securities from parties concerned in Cargo and Containers. Albatross Adjusters will also be collecting Salvage security as requested by Salvors.

The demands for security are presently under consideration by Salvors and Shipowners and this standard instructions will be updated in due course.

At this stage, we are not aware of any possible on-forwarding arrangements for cargo/containers to final destination.

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B. SECURITY REQUIRED FROM CARGO AND CONTAINER INTERESTS

The cargo and containers can only be released to the Receivers once all Salvage and General Average securities, as requested, as well as supporting documents have been provided to the full satisfaction of Salvors and Shipowners, respectively.

1. SALVAGE SECURITY

We have been instructed by the Salvors to assist with the collection of Salvage securities from parties concerned in Cargo, Containers and Bunkers and will co-ordinate the release of those consignments, for which security has been submitted.

Before releasing their maritime lien on the salvaged property, the Salvors will require security to be lodged. Salvage operations are on-going and Salvors are yet to formulate their demand for security. Once details of the security demand are made available, we shall update this standard instructions and upload same on our website.

The Salvors have made available and are prepared to enter into a Pre Settlement Agreement (PSA) with any parties concerned in Cargo, Containers and Bunkers that will under that Pre Settlement Agreement cap and limit exposure in salvage. Copy of the LOF and PSA are available for viewing / download on the Average Adjusters' website. Cargo, Containers and Bunkers Interests will need to advise the Average Adjusters in writing in the prescribed form (see "[Acceptance of Pre Settlement Agreement](#)" Form) if they would like to accept and be bound by the terms of it. The relevant "Acceptance of Pre Settlement Agreement" Form is included in these standard instructions. If applicable, please ensure that full style details of your cargo / containers are clearly stated on the form, together with your full style Company name and contact details. Only forms which are duly signed shall be acceptable to Salvors.

2. GENERAL AVERAGE SECURITIES

a) AVERAGE BOND ([click here to fill out the form](#))

To be:-

a: duly completed with details of the cargo and containers,

b: signed and

c: stamped by Cargo Receivers or Shippers, stating their full style address and communication numbers.

b) AVERAGE GUARANTEE OR CASH DEPOSIT (details to be provided)

AVERAGE GUARANTEE ([click here to fill out the form](#))

To be:-

a: duly completed by Cargo Insurers with details of the cargo and containers,

b: signed and

c: stamped, stating their full style address and communication numbers.



N.B. Please note that a rating for Cargo Insurers should be submitted and Shipowners will only accept an Average Guarantee, as per wording requested, from Cargo Insurers with a credit rating of BBB- or better from S&P or equally Reputable Rating Agency.

OR

CASH DEPOSIT

If the goods are ***not insured***, respectively Cargo Insurers are not prepared to sign the Average Guarantee in the tendered wording or Shipowners do not accept the Guarantee tendered, a Cash Deposit of **a percentage still to be determined** will be required as General Average security. In this case, please advise us immediately, in order that we may provide a calculation of the required amount as well as details of the designated Trust Account. Upon receipt of the Cash Deposit an Original General Average Deposit Receipt will be issued by us to parties concerned, with additional instructions.

3. SHIPPING DOCUMENTS REQUIRED

Copies of:-

- a) **Bill(s) of Lading**
- b) **Commercial Invoice(s)**
- c) **Ocean/Sea Freight Invoice(s)**
- d) **Packing List(s)**
- e) **Insurance Premium Invoice(s)** (only if cargo is insured)

In case you have any doubts or questions regarding the submission of securities, please click [here](#) to refer to the Frequently Asked Questions (FAQ).

Please note the following: -

1. Information on the current status of this case, as well as the facility to download the Salvage and General Average security documents and detailed instructions for the completion of same are available on our website. Please follow the instructions below: -

Go to website: www.alba.com.cy

Select: [Customer Area](#)

In the CARGO SECTION select (drop down field) Vessel Name: **APL VANCOUVER**

Case number: **19.410-2**

Pin Code: **20190131**

2. The security forms contain editable fields in which the cargo information e.g. Bill of Lading, container numbers, cargo description, full style name and addresses, etc. may be typed in. For good order's sake, the security forms should be **signed and stamped**. We can confirm that handwritten securities will also be acceptable, provided same are legible.
3. Salvors and Shipowners will not accept any security forms other than those requested and no additions, deletions or amendments to the wording of the forms will be accepted.



4. Copies of the full set of securities and supporting documents should be transmitted as soon as possible to ALBATROSS ADJUSTERS LIMITED ([for contact details see C below](#)).
5. At a later stage, the original security documents, i.e. Salvage Guarantee, Average Bond and General Average Guarantee, bearing the original signatures, have to be couriered to ALBATROSS ADJUSTERS LIMITED (for the postal address, please refer to C below or the security forms).
6. Provided the security is accepted, written instructions will be given by the Average Adjusters to the effect that the cargo may be released as far as Salvage and General Average formalities are concerned. For a list of **RELEASED CONTAINERS** please refer to the Average Adjusters' website.
7. Please **avoid re-sending copies of documents**, as this will only delay the processing of documents. In case you have any doubts or questions regarding the submission of securities, please refer to the Frequently Asked Questions (FAQ) posted on the Average Adjusters website.
8. If you are a Forwarding Agent representing consolidated cargo, please refer to the Instructions for FORWARDING AGENTS-CONSOLIDATED CARGO posted on the Average Adjusters website.

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C. CONTACT DETAILS

ALBATROSS ADJUSTERS LIMITED

Libra Tower, 1st Floor

23 Olympion Street

3035 Limassol

Cyprus

Tel. +357-2558 8988

Fax. +357-2558 3254

E-mail: cargo@alba.com.cy

Web site: www.alba.com.cy

Case handler: Mr. Kyriacos Christodoulou

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D. Frequently Asked Questions (FAQ)

PLEASE NOTE THAT THE BELOW IS INTENDED TO PROVIDE SOME PRACTICAL GUIDANCE ONLY; NO RIGHTS OR OBLIGATIONS WHATSOEVER CAN BE DERIVED HEREFROM.

1. SUBMISSION OF DOCUMENTS

A. INSURED CARGO

Question: My cargo is insured, what documents do I need to submit?

Answer: By email copies of the following:-

- a. From Shipper/Receiver of the cargo, copy of
 - **Bill(s) of Lading.**
 - **Average Bond** completed and signed by Shippers or Receivers of cargo
 - **Commercial Invoice(s)** related to this cargo.
 - **Packing List** related to this cargo.
 - **Ocean/Sea Freight Invoice** related to this cargo. If an invoice is not available, advise the amount of freight due/paid for this cargo.
- b. From Cargo Insurers of the cargo, copy of
 - **Salvage Guarantee** completed and signed by Cargo Insurers.
 - **Average Guarantee** completed and signed by Cargo Insurers.
 - **Insurance Policy Certificate / Insurance Premium Invoice**, stating the premium paid for this cargo. If an invoice is not available, advise the premium amount related to this cargo.

B. NOT INSURED CARGO

Question: My cargo is not insured, what documents do I need to submit?

Answer: By email copies of the following from Shipper/Receiver:-

- **Bill(s) of Lading.**
- **Average Bond** completed and signed by Shippers or Receivers of cargo.
- **Swift/Bank Advice** for the cash deposit (Salvage and General Average) remitted. This will help us identify the funds received into the designated Trust Account.
- **Commercial Invoice(s)** related to this cargo.
- **Packing List** related to this cargo.
- **Ocean/Sea Freight Invoice** related to this cargo. If an invoice is not available, advise the amount of freight due/paid for this cargo.

2.	GENERAL QUESTIONS
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- a. Question: Who should complete and sign the **Average Bond**, the Shipper or the Receiver?
- Answer: It should be completed either by Shipper or Receiver or the Owner of the goods.
- b. Question: I am a Shipper/Receiver; can I sign the **Salvage Guarantee** / **Average Guarantee**?
- Answer: NO, the Salvage Guarantee and Average Guarantee is to be signed/stamped by the Insurers of the cargo only.
- c. Question: Do I need to forward the original **Average Bond** and/or **Salvage Guarantee** / **Average Guarantee** to the Adjusters?
- Answer: YES, to the address stated in the Standard Instructions. Please click [here](#) to refer to the Standard Instructions.
- d. Question: I do not have Insurance; what should I do?
- Answer: For the security / supporting documents required, [see 1 B above](#). A **Cash Deposit** (for Salvage and General Average) is to be made into the Trust Account as security. Please click [here](#) to refer to the Standard Instructions.
- e. Question: The **Commercial Invoice** for the cargo is not in the same currency for which a cash deposit is to be made by me, what should I do?
- Answer: Use the **Calculation of Cash Deposit** form. Please refer to the Standard Instructions.
- f. Question: I have made a Cash Deposit, why is my cargo not released?
- Answer: The Adjusters will only consider a Cash Deposit which is actually credited into the Trust Account, not any payment which is pending to be credited OR it is possible that your Cash Deposit could not be readily identified/matched. Please ensure to provide a copy of the swift/bank advice.
- g. Question: I have written to the Adjusters and submitted documents, why has my cargo not been released yet?
- Answer: It could be for any of the following reasons:- **i)** Some documents are missing, **ii)** Forms are incomplete and/or not signed **iii)** documents are illegible **iv)** your cargo forms part of an LCL/consolidated consignment. In case of a consolidated consignment, the Container can only be released after ALL Cargo Interests involved in the same Container have submitted the documentation and security as requested.



- h. Question: I write to the Adjusters but do not get a reply, why?
Answer: It could be that your container has already been released. Please check the list of released containers posted on our website.
Please avoid re-sending copies of the same documents, as this will only delay the processing of documents.
- i. Question: I have submitted all required documentation and security and my cargo has been released by the Adjusters, what shall I do now?
Answer: Please liaise with the Shipping Line/Forwarding Agent to collect your cargo.
- j. Question: I have paid a cash deposit as collateral security into the Trust Account, what proof will I get for the payment?
Answer: The Adjusters will issue an original Cash Deposit Receipt (for Salvage and/or General Average) which will be forwarded to the party who has remitted the funds by registered airmail. For this purpose, please ensure to provide us with the full style postal address and contact details of the remitter of the deposit.
- k. Question: I received an original Cash Deposit Receipt(s), what shall I do with it?
Answer: The Cash Deposit Receipt(s) should be kept in a safe place where you can retrieve it when the Salvage/Adjustment of General Average is issued. In due time you will receive a request to advise whether you agree to the Cargo's contribution(s) being deducted from your Cash Deposit. Any balance, that is, the Cash Deposit amount plus interest earned, minus the Cargo's contribution(s) will be refundable to the presenter of the original Cash Deposit Receipt.
- l. Question: How long will it take for the completion of the Salvage/General Average case?
Answer: There is no particular set time or period as such. The collection of all relevant documentation and the subsequent calculations will take some time. We will be writing to cargo interests once the Salvage/Adjustment of General Average is finalized.

ACCEPTANCE OF PRE-SETTLEMENT AGREEMENT

Dear Sirs,

**LOF 2011 Contract dated 4 February 2019 (the "LOF")
Pre-Settlement Agreement relating to the LOF dated 4 February 2019 (the "PSA")**

Property

Bill of Lading No(s) Waybill No(s)	Container No(s) Marks & No(s)	Description of Property

We [are OR represent and have authority to bind] the owners of the Applicable Property (the "Applicable Property Owners").

We acknowledge that the Applicable Property Owners are bound by the terms of the LOF.

We have read and understand the terms of the PSA. The Contractors have offered to agree to Applicable Property Owners being party to and bound by the terms of the PSA in respect of the Applicable Property as if the PSA had been agreed between the Contractors and the Applicable Property Owners on 4 February 2019.

We hereby confirm that the Applicable Property Owners accept the Contractors' offer and therefore agree to be a party to and by bound by the terms of the PSA in respect of the Applicable Property.

For the avoidance of doubt we confirm that in respect of the PSA the Applicable Property Owners shall be bound by the arbitration agreement as provided under the LOF.

Date: _____ Signature of Property Owner or Representative: _____ Stamp: _____

Company Name: _____

Address: _____

City: _____ Postal/Zip Code: _____ Country: _____

Tel. No. _____ Fax No. _____

E-mail: _____ Contact Person: _____

- Average Adjusters -

ALBATROSS ADJUSTERS LIMITED

Libra Tower, 1st Floor, 23 Olympion Street, 3035 Limassol, P.O. Box 54117, 3721 Limassol, Cyprus
Tel No: +357-2558 8988, Fax No: +357-2558 3254, E-Mail: cargo@alba.com.cy, Website: www.alba.com.cy
Associated Offices in London and Hamburg

AVERAGE BOND

Folio No.

To: Shipowners and/or Bareboat Charterers and/or Operators
Vessel: m.v. "APL VANCOUVER"
Voyage: From ports in China and Hong Kong to Singapore, Sri Lanka and India, Voyage No. 0IS1JW1PL
Casualty: 31.01.2019 Fire in Cargo Hold

Bill of Lading No(s) Waybill No(s)	Container No(s) Marks & No(s)	Description of cargo and weight	C.I.F. Value
Port of Shipment	Port of Destination	<i>Important:</i> In case of damage to/loss of cargo submit customary claim documentation	<i>Important:</i> Attach copy of Commercial Invoice

In consideration of the delivery to us or to our order, on payment of the freight due, of the goods noted above we agree to pay the proper proportion of any salvage and/or general average and/or special charges which may hereafter be ascertained to be properly and legally due from the goods or the shippers or owners thereof under an adjustment prepared in accordance with the provisions of the contract of affreightment governing the carriage of the goods or, failing any such provision, in accordance with the law and practice of the place where the common maritime adventure ended and which is payable in respect of the goods by the shippers or owners thereof.

In case the goods are oncarried by another vessel and/or conveyances the following **Non-Separation-Agreement** shall apply:

It is agreed that in the event of vessel's cargo or part thereof being forwarded to original destination by other vessel, vessels or conveyances, rights and liabilities in general average shall not be affected by such forwarding, it being the intention to place the parties concerned as nearly as possible in the same position in this respect as they would have been in the absence of such forwarding and with the adventure continuing by the original vessel for so long as justifiable under the law applicable or under the Contract of Affreightment.

The basis of contribution to general average of the property involved shall be the values on delivery at original destination unless sold or otherwise disposed of short of that destination; but where none of her cargo is carried forward in the vessel she shall contribute on the basis of her actual value on the date she completes discharge of her cargo.

We also agree: -

- (i) to furnish particulars of the value of the goods, supported by a copy of the commercial invoice rendered to us or, if there is no such invoice, details of the shipped value
- (ii) to make a payment on account of such sum as is duly certified by the average adjusters to be properly and legally due from the goods and which is payable in respect of the goods by the shippers or owners thereof and
- (iii) that this agreement shall be governed by English Law and the High Court of Justice, London shall have exclusive jurisdiction over any dispute arising out of this agreement, and each party shall irrevocably submit to the jurisdiction of the English Court.
- (iv) that any period of prescription whether provided by statute law, contract or otherwise, shall commence to run from the date upon which the general average adjustment is issued.

Date: _____ Signature of Shippers or Receivers: _____ Stamp: _____

Company Name: _____

Address: _____

City: _____ Postal/Zip Code: _____ Country: _____

Tel. No. _____ Fax No. _____

E-mail: _____ Contact Person: _____

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Tel No: +357-2558 8988, Fax No: +357-2558 3254, E-Mail: cargo@alba.com.cy, Website: www.alba.com.cy
Associated Offices in London and Hamburg

IMPORTANT: This guarantee will only be accepted provided no additions, deletions or amendments are made to the wording by the Underwriters

AVERAGE GUARANTEE

Folio No. _____

For Signature by Underwriters of Cargo to avoid collection of Deposits in those cases in which it is practicable to do so.

Vessel: m.v. "APL VANCOUVER"

Voyage: From ports in China and Hong Kong to Singapore, Sri Lanka and India, Voyage No. 0IS1JW1PL

Casualty: 31.01.2019 Fire in Cargo Hold

In consideration of the delivery in due course of the goods specified below to the Consignees thereof without collection of a deposit, we, the undersigned insurers, hereby undertake to pay to the Shipowners or to the Average Adjusters, Albatross Adjusters Limited, on behalf of the various parties to the adventure as their interests may appear, any contribution to General Average and/or Salvage and/or Special Charges which may hereafter be ascertained to be properly and legally due in respect of the said goods.

We further agree to make a prompt payment(s) on account of such contribution as may be reasonably and properly due in respect of the said goods, as soon as the same may be certified by the said Average Adjusters, and to furnish to the said Average Adjusters at their request all information which is available to us relative to the value of the said goods.

This agreement shall be governed by English Law and the High Court of Justice, London shall have exclusive jurisdiction over any dispute arising out of this agreement, and each party shall irrevocably submit to the jurisdiction of the English Court.

NON SEPARATION AGREEMENT:

It is agreed that in the event of the vessel's cargo or part thereof being forwarded to original destination by other vessel, vessels or conveyances, rights and liabilities in general average shall not be affected by such forwarding, it being the intention to place the parties concerned as nearly as possible in the same position in this respect as they would have been in the absence of such forwarding and with the adventure continuing by the original vessel for so long as is justifiable under the law applicable or under the Contract of Affreightment.

The basis of contribution to general average of the property involved shall be the values on delivery at original destination unless sold or otherwise disposed of short of the destination; but where none of her cargo is carried forward in the vessel she shall contribute on the basis of her actual value on the date she completes discharge of her cargo.

Bill of Lading No(s) Waybill No(s)	Container No(s) Marks & No(s)	Description of cargo and weight	C.I.F. Value
Port of Shipment	Port of Destination	<i>Important:</i> In case of damage to/loss of cargo submit customary claim documentation, incl. Subrogation Letter	<i>Important:</i> Attach copy of Commercial Invoice

Date: _____ Signature of Insurers: _____ Stamp: _____

Company Name: _____

Address: _____

City: _____ Postal/Zip Code: _____ Country: _____

Tel. No. _____ Fax No. _____ Reference No. _____

E-mail: _____ Contact Person: _____

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